Latina Offshore Limited and Subsidiaries

Consolidated Statements of Financial Position

As of June 30, 2022 and December 31, 2021 (In thousands of US dollars)

Assets	June 2022		December 2021		
	Unaudited			Audited	
Current assets:					
Cash and restricted cash	\$	10,316	\$	14,470	
Due from related parties		42,202		48,404	
Other accounts receivable		3,671		972	
Prepaid expenses, net	<u></u>	75		125	
Total current assets	'	56,264		63,971	
Non-current assets:					
Jack ups and equipment, net		298,153		305,702	
Deferred income taxes		32,044		27,162	
Total non-current assets	·	330,197		332,864	
Total assets	\$	386,461	\$	396,835	
Liabilities and Stockholders' equity					
Current liabilities:					
Current portion of long-term debt	\$	284,307		286,672	
Due to related parties		9,231		13,628	
Trade accounts payable		-		72	
Other accounts payables and accrued liabilities		7,351		7,179	
Total current liabilities		300,889		307,551	
Stockholders' equity:					
Capital stock		180,712		180,712	
Deficit		(95,140)		(91,428)	
Total stockholders' equity		85,572		89,284	
Total stockholders' equity and liabilities	\$	386,461	\$	396,835	

Latina Offshore Limited and Subsidiaries

Consolidated Statements of Operations For the six months ended June, 2022 and for the year end December 31, 2021

(In thousands of US dollars)

	June 2022 Unaudited			December 2021	
Continuing operations:				Audited	
Operating leases income	\$	18,100	\$	36,300	
Operating cost		147		336	
Depreciation of assets under operating leases		13,143		25,725	
Gross profit		4,810		10,239	
Interest expenses, net		13,341		27,388	
Exchange loss (gain), net		63		(27)	
Loss before income taxes		(8,594)		(17,122)	
Deferred income tax		(4,882)	_	(7,711)	
Consolidated net loss	\$	(3,712)	\$	(9,411)	

Latina Offshore Limited and Subsidiaries

Consolidated Statement of Cash Flows

For the six months ended June, 2022 and for the year end December 31, 2021

(In thousands of US dollars)

Cash flows from operating activities: Unaudited Audited Consolidated net loss \$ (3,712) \$ (9,411) Adjustments for:			June 2022	December 2021		
Adjustments for: Deferred income tax benefit (4,882) (7,711) Depreciation 13,143 25,725 Amortization of bond issuance costs 535 1,232 Exchange loss 63 (27) Interest income (271) (359) Interest expenses 13,077 26,515 Tr,953 35,964 Changes in working capital: (Increase) decrease in: Due from related parties 6,458 3,508 Other accounts receivable (2,699) 953 Prepaid expenses 50 (28) Increase (decrease) in: Trade accounts payable and accrued liabilities (4,397) 3,464 Other accounts payable and accrued liabilities 10,8 (78) Net cash flows by operating activities: Purchase of Jack-ups and equipment (5,593) (7,363) Net cash flows by investing activities Payments of long term-debt (2,723) (5,502) Bonds issuance costs (116) (1022) Interest income 15 Interest paid (13,138) (26,644)	Cash flows from operating activities:	Unaudited		Audited		
Adjustments for: (4,882) (7,711) Deferred income tax benefit (4,882) (7,711) Depreciation 13,143 25,725 Amortization of bond issuance costs 535 1,232 Exchange loss 63 (271) Interest income (271) (359) Interest expenses 13,077 26,515 Totages in working capital: (17,953) 35,964 Changes in working capital: (Increase) decrease in: 8 3,508 Other accounts receivable (2,699) 953 Other accounts receivable (2,699) 953 Prepaid expenses 50 (28) Increase (decrease) in: (72) 3 Trade accounts payable (72) 3 Due to related parties (4,397) 3,464 Other accounts payable and accrued liabilities 108 (78) Net cash flows by operating activities: 17,401 43,786 Cash flows from investing activities: 2 2 Purchase of Jack-ups and eq	Consolidated net loss	\$	(3,712)	\$	(9,411)	
Deferred income tax benefit (4,882) (7,711) Depreciation 13,143 25,725 Amortization of bond issuance costs 535 1,232 Exchange loss 63 (27) Interest income (271) (359) Interest expenses 13,077 26,515 Increase) decrease in: 7,953 35,964 Changes in working capital: (Increase) decrease in: 2(2,699) 953 Other accounts receivable (2,699) 953 Other accounts receivable (2,699) 953 Prepaid expenses 50 (28) Increase (decrease) in: (72) 3 Trade accounts payable (72) 3 Due to related parties (4,397) 3,464 Other accounts payable and accrued liabilities 108 (78) Net cash flows by operating activities: 17,401 43,786 Cash flows from investing activities: 2 (5,593) (7,363) Net cash flows by investing activities (5,593) (7,363)	Adjustments for:	Ψ		Ψ		
Amortization of bond issuance costs 535 1,232 Exchange loss 63 (27) Interest income (271) (359) Interest expenses 13,077 26,515 17,953 35,964 Changes in working capital: (Increase) decrease in: 8 3,508 Other accounts receivable (2,699) 953 Other accounts receivable (2,699) 953 Prepaid expenses 50 (28) Increase (decrease) in: 72 3 Trade accounts payable (72) 3 Due to related parties (4,397) 3,464 Other accounts payable and accrued liabilities 108 (78) Net cash flows by operating activities 17,401 43,786 Cash flows from investing activities: 7 7,363 Purchase of Jack-ups and equipment (5,593) (7,363) Net cash flows by investing activities (5,593) (7,363) Cash flows from financing activities: 7 7 7 Payments of			(4,882)		(7,711)	
Exchange loss 63 (27) Interest income (271) (359) Interest expenses 13,077 26,515 17,953 35,964 Changes in working capital: (Increase) decrease in: Use from related parties 6,458 3,508 Other accounts receivable (2,699) 953 Prepaid expenses 50 (28) Increase (decrease) in: Trade accounts payable (72) 3 Due to related parties (4,397) 3,464 Other accounts payable and accrued liabilities 108 (78) Net cash flows by operating activities 17,401 43,786 Cash flows from investing activities: Furchase of Jack-ups and equipment (5,593) (7,363) Net cash flows by investing activities: (5,593) (7,363) Cash flows from financing activities: (2,723) (5,502) Bonds issuance costs (116) (102) Interest income 15 - Interest paid (13,138) (26,644)	Depreciation		13,143		, ,	
Interest income (271) (359) Interest expenses 13,077 26,515 17,953 35,964 Changes in working capital: (Increase) decrease in: Tup from related parties Other accounts receivable 6,458 3,508 Other accounts receivable (2,699) 953 Prepaid expenses 50 (28) Increase (decrease) in: Trade accounts payable (72) 3 Due to related parties (4,397) 3,464 Other accounts payable and accrued liabilities 108 (78) Net cash flows by operating activities 17,401 43,786 Cash flows from investing activities: (5,593) (7,363) Net cash flows by investing activities (5,593) (7,363) Cash flows from financing activities: 2 2 Payments of long term-debt (2,723) (5,502) Bonds issuance costs (116) (102) Interest paid (13,138) (26,644)	Amortization of bond issuance costs		535		1,232	
Interest expenses 13,077 26,515 Changes in working capital: (Increase) decrease in: 35,964 Due from related parties 6,458 3,508 Other accounts receivable (2,699) 953 Prepaid expenses 50 (28) Increase (decrease) in: 772 3 Trade accounts payable (72) 3 Due to related parties (4,397) 3,464 Other accounts payable and accrued liabilities 108 (78) Net cash flows by operating activities 17,401 43,786 Cash flows from investing activities: (5,593) (7,363) Purchase of Jack-ups and equipment (5,593) (7,363) Cash flows from financing activities: (5,593) (7,363) Cash flows from financing activities: 2 (2,723) (5,502) Bonds issuance costs (116) (102) Interest income 15 - Interest paid (26,644)	Exchange loss		63		(27)	
Traps 35,964 Changes in working capital:	Interest income		(271)		(359)	
Changes in working capital: (Increase) decrease in: 3,508 Due from related parties 6,458 3,508 Other accounts receivable (2,699) 953 Prepaid expenses 50 (28) Increase (decrease) in: Trade accounts payable (72) 3 Due to related parties (4,397) 3,464 Other accounts payable and accrued liabilities 108 (78) Net cash flows by operating activities 17,401 43,786 Cash flows from investing activities: Purchase of Jack-ups and equipment (5,593) (7,363) Net cash flows by investing activities (5,593) (7,363) Cash flows from financing activities: 2 (5,593) (7,363) Cash flows from financing activities: 2 (5,593) (5,502) Bonds issuance costs (116) (102) Interest income 15 - Interest paid (13,138) (26,644)	Interest expenses		13,077		26,515	
(Increase) decrease in: 6,458 3,508 Other accounts receivable (2,699) 953 Prepaid expenses 50 (28) Increase (decrease) in: Trade accounts payable (72) 3 Due to related parties (4,397) 3,464 Other accounts payable and accrued liabilities 108 (78) Net cash flows by operating activities 17,401 43,786 Cash flows from investing activities: Purchase of Jack-ups and equipment (5,593) (7,363) Net cash flows by investing activities (5,593) (7,363) Cash flows from financing activities: (2,723) (5,502) Bonds issuance costs (116) (102) Interest income 15 - Interest paid (13,138) (26,644)			17,953		35,964	
Due from related parties 6,458 3,508 Other accounts receivable (2,699) 953 Prepaid expenses 50 (28) Increase (decrease) in: Trade accounts payable (72) 3 Due to related parties (4,397) 3,464 Other accounts payable and accrued liabilities 108 (78) Net cash flows by operating activities 17,401 43,786 Cash flows from investing activities: Purchase of Jack-ups and equipment (5,593) (7,363) Net cash flows by investing activities (5,593) (7,363) Cash flows from financing activities: (2,723) (5,502) Bonds issuance costs (116) (102) Interest income 15 - Interest paid (13,138) (26,644)	Changes in working capital:					
Other accounts receivable (2,699) 953 Prepaid expenses 50 (28) Increase (decrease) in: Trade accounts payable (72) 3 Due to related parties (4,397) 3,464 Other accounts payable and accrued liabilities 108 (78) Net cash flows by operating activities: 17,401 43,786 Cash flows from investing activities: Purchase of Jack-ups and equipment (5,593) (7,363) Net cash flows by investing activities: Payments of long term-debt (2,723) (5,502) Bonds issuance costs (116) (102) Interest income 15 - Interest paid (13,138) (26,644)	(Increase) decrease in:					
Prepaid expenses 50 (28) Increase (decrease) in: Trade accounts payable (72) 3 Due to related parties (4,397) 3,464 Other accounts payable and accrued liabilities 108 (78) Net cash flows by operating activities: 17,401 43,786 Cash flows from investing activities: 2 (5,593) (7,363) Net cash flows by investing activities (5,593) (7,363) Cash flows from financing activities: (2,723) (5,502) Bonds issuance costs (116) (102) Interest income 15 - Interest paid (13,138) (26,644)	•				3,508	
Increase (decrease) in: (72) 3 Trade accounts payable (4,397) 3,464 Other accounts payable and accrued liabilities 108 (78) Net cash flows by operating activities: 17,401 43,786 Cash flows from investing activities: (5,593) (7,363) Purchase of Jack-ups and equipment (5,593) (7,363) Net cash flows by investing activities: (5,593) (7,363) Cash flows from financing activities: (2,723) (5,502) Bonds issuance costs (116) (102) Interest income 15 - Interest paid (13,138) (26,644)	Other accounts receivable		(2,699)		953	
Trade accounts payable (72) 3 Due to related parties (4,397) 3,464 Other accounts payable and accrued liabilities 108 (78) Net cash flows by operating activities 17,401 43,786 Cash flows from investing activities: (5,593) (7,363) Purchase of Jack-ups and equipment (5,593) (7,363) Net cash flows by investing activities (5,593) (7,363) Cash flows from financing activities: (2,723) (5,502) Bonds issuance costs (116) (102) Interest income 15 - Interest paid (13,138) (26,644)	• •		50		(28)	
Due to related parties (4,397) 3,464 Other accounts payable and accrued liabilities 108 (78) Net cash flows by operating activities 17,401 43,786 Cash flows from investing activities: \$\text{Purchase of Jack-ups and equipment}\$ (5,593) (7,363) Net cash flows by investing activities (5,593) (7,363) Cash flows from financing activities: \$\text{Payments of long term-debt}\$ (2,723) (5,502) Bonds issuance costs (116) (102) Interest income 15 - Interest paid (13,138) (26,644)	` '					
Other accounts payable and accrued liabilities Net cash flows by operating activities Cash flows from investing activities: Purchase of Jack-ups and equipment Net cash flows by investing activities Cash flows from financing activities: Payments of long term-debt Payments of long term-debt Interest income Interest paid Cash flows from financing activities: (2,723) (5,502) (102) (102) (103) (103) (103)					_	
Net cash flows by operating activities 17,401 43,786 Cash flows from investing activities: Purchase of Jack-ups and equipment (5,593) Net cash flows by investing activities (5,593) (7,363) Cash flows from financing activities: Payments of long term-debt (2,723) (5,502) Bonds issuance costs (116) (102) Interest income 15 - Interest paid (13,138) (26,644)	*		,		3,464	
Cash flows from investing activities: (5,593) (7,363) Purchase of Jack-ups and equipment (5,593) (7,363) Net cash flows by investing activities (5,593) (7,363) Cash flows from financing activities: (2,723) (5,502) Payments of long term-debt (2,723) (5,502) Bonds issuance costs (116) (102) Interest income 15 - Interest paid (13,138) (26,644)	* *					
Purchase of Jack-ups and equipment (5,593) (7,363) Net cash flows by investing activities (5,593) (7,363) Cash flows from financing activities: 2,723) (5,502) Payments of long term-debt (2,723) (5,502) Bonds issuance costs (116) (102) Interest income 15 - Interest paid (13,138) (26,644)	Net cash flows by operating activities		17,401		43,786	
Net cash flows by investing activities (5,593) (7,363) Cash flows from financing activities: (2,723) (5,502) Payments of long term-debt (116) (102) Bonds issuance costs (116) (102) Interest income 15 - Interest paid (13,138) (26,644)						
Cash flows from financing activities: (2,723) (5,502) Payments of long term-debt (16) (102) Bonds issuance costs (116) (102) Interest income 15 - Interest paid (13,138) (26,644)	Purchase of Jack-ups and equipment		(5,593)		(7,363)	
Payments of long term-debt (2,723) (5,502) Bonds issuance costs (116) (102) Interest income 15 - Interest paid (13,138) (26,644)	Net cash flows by investing activities		(5,593)		(7,363)	
Bonds issuance costs (116) (102) Interest income 15 - Interest paid (13,138) (26,644)	Cash flows from financing activities:					
Interest income 15 - Interest paid (13,138) (26,644)	Payments of long term-debt		(2,723)		(5,502)	
Interest paid (13,138) (26,644)			(116)		(102)	
	Interest income		15		-	
Net cash flows in financing activities (15,962) (32,248)	Interest paid				(26,644)	
	Net cash flows in financing activities		(15,962)		(32,248)	
Net change in cash and restricted cash (4,154) 4,175	Net change in cash and restricted cash		(4,154)		4,175	
Cash and restricted cash at the beginning of the year 14,470 10,295	Cash and restricted cash at the beginning of the year		14,470		10,295	
Cash and restricted cash at end of the year \$\\ \begin{array}{c} \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \		\$		\$		